

**THE SCHOOL ADMINISTRATOR  
and Uniform Compliance Guidelines**

**Volume 141A, Page 1**

**April 1998**

**NEW LAWS AFFECTING SCHOOL CORPORATIONS**

The following is a digest of some of the laws passed by the 1998 Regular Session of the General Assembly affecting school corporations. Please note the effective dates. Some of the laws do not pertain directly to school corporations but are included in the digest for ready reference to the covered subject matter.

The digest is not intended as an expression of legal interpretation. Nor is the digest intended to be all inclusive. References in the digest will be to the Indiana Code in the following form (Amends IC 20-5-2-2) (Amends Indiana Code, Title 20, Article 5, Chapter 2, Section 2).

**PUBLIC LAW 1 - HOUSE ENROLLED ACT 1011. EFFECTIVE JULY 1, 1998. RECODIFICATION.**  
Recodifies Title 34.

**PUBLIC LAW 2 - SENATE ENROLLED ACT 101. EFFECTIVE VARIOUS DATES. TECHNICAL CORRECTIONS.** Amends various sections in Indiana Code to provide technical corrections.

**PUBLIC LAW 4 - HOUSE ENROLLED ACT 1008. EFFECTIVE JULY 1, 1998. JURY DUTY.** Amends and adds to IC 33-4 concerning qualifications and service on various juries.

**PUBLIC LAW 7 - HOUSE ENROLLED ACT 1139. EFFECTIVE JULY 1, 1998. PUBLIC PURCHASES LAW.** Amends IC 5-22-8-1. Provides the chapter applies only to a purchase expected by the purchasing agent to be less than seventy-five thousand dollars (\$75,000).

Also amends IC 5-22-8-2 concerning small purchase policies to provide that the section only applies if the purchasing agent expects the purchase to be less than twenty-five thousand dollars (\$25,000).

Adds IC 5-22-8-3 to provide "(a) This section applies only if the purchasing agent expects the purchase to be:

- (1) at least twenty-five thousand dollars (\$25,000); and
- (2) not more than seventy-five thousand dollars (\$75,000).
- (b) A purchasing agent may purchase supplies under this section by inviting quotes from at least three (3) persons known to deal in the lines or classes of supplies to be purchased.
- (c) The purchasing agent shall mail an invitation to quote to the persons described in subsection (b) at least seven (7) days before the time fixed for receiving quotes.
- (d) If the purchasing agent receives a satisfactory quote, the purchasing agent shall award a contract to the lowest responsible and responsive offeror for each line of class of supplies required.
- (e) The purchasing agent may reject all quotes.
- (f) If the purchasing agent does not receive a quote from a responsible and responsive offeror, the purchasing agent may purchase the supplies under IC 5-22-10-10."

IC 5-22-10-19 is added to provide "A purchasing agent may make a special purchase from a public utility if the purchase or lease price is a negotiated price that considers the results of an independent appraisal that the purchasing agency obtains and an independent appraisal that the public utility obtains."

**THE SCHOOL ADMINISTRATOR  
and Uniform Compliance Guidelines**

**Volume 141A, Page 2**

**April 1998**

**NEW LAWS AFFECTING SCHOOL CORPORATIONS  
(Continued)**

Adds IC 5-22-17-12 to provide "(a) A solicitation may provide that offers will be received and contracts will be awarded separately or for any combination of a line or a class of supplies or services contained in the solicitation.

(b) If the solicitation does not indicate how separate contracts might be awarded, the purchasing agent may award separate contracts to different offerors under this section only if the purchasing agent makes a written determination showing that the award of separate contracts is in the interest of efficiency or economy.

(c) If the purchasing agent awards a contract for a line or class of supplies or services, or any combination of lines or classes, to an offeror other than the lowest offeror, the purchasing agent must make a written determination stating the reasons for awarding a contract to that offeror."

Adds IC 5-22-17-13 to provide a solicitation may provide that the purchasing agent will award a contract for supplies or services for an unspecified number of items at a fixed price per unit. Such a contract may include a formula or a method for escalation of the unit price.

Adds IC 5-22-18-5 (b) to provide "Within thirty (30) days after the acceptance of an offer, the purchasing agent shall deliver in person or by first class mail to the successful offeror the original of each purchase order or lease, retain a copy for the purchasing agent's records, and file a copy for public record and inspection as follows: ...

(3) When a purchase or lease is made for a school corporation or a quasi-public corporation, the copy of the purchase order or lease must be filed with the records of the corporation."

Amends IC 5-22-22-8 to provide that for the purposes of IC 5-22-22-8 and IC 5-22-21-6(4)(B), property may be considered worthless or of no market value if the value of the property is less than the estimated costs of the sale and transportation of the property.

Please review Public Law 49 of the Acts of 1997 for other changes effective July 1, 1998.

**PUBLIC LAW 15 - HOUSE ENROLLED ACT 1245. EFFECTIVE MARCH 6, 1998 AND AUGUST 5, 1996 (RETROACTIVE). DEFERRED COMPENSATION.** Amends IC 5-10-1.1 concerning deferred compensation plans and for the creation of a Deferred Compensation Committee. IC 5-10-1.1-1(I) now provides for insurance and investment products appropriate for a nonqualified deferred compensation plan.

**PUBLIC LAW 20 - SENATE ENROLLED ACT 114. EFFECTIVE JULY 1, 1998. SMOKING IN PUBLIC BUILDINGS.** Amends IC 16-41-37-4 concerning Class B infractions under certain circumstances for smoking in public buildings.

**PUBLIC LAW 22 - SENATE ENROLLED ACT 120. EFFECTIVE JULY 1, 1998. TEACHERS' RETIREMENT FUND.** Amends various sections of IC 21-6.1 concerning substitute teaching service including IC 21-6.1-4-1 to provide the members of the teachers' retirement fund do not include substitute teachers who have not obtained an associate degree or baccalaureate degree.

Also adds IC 21-6.1-4-4.7 concerning substitute teaching service and the purchase of service credit.

**THE SCHOOL ADMINISTRATOR  
and Uniform Compliance Guidelines**

**Volume 141A, Page 3**

**April 1998**

**NEW LAWS AFFECTING SCHOOL CORPORATIONS  
(Continued)**

Also amends IC 21-6.1-7-8 to provide the teacher retirement fund board may as often as the board determines necessary, review or cause to be reviewed the pertinent records of any public entity contributing to funds under IC 21-6.1.

Also provides that on or before January 15, April 15, July 15, and October 15th of each year, the treasurer of each school corporation shall make a report to the board on a form furnished by the board and within the time set by the board.

Amends IC 21-6.1-7-9 to provide if the treasurer of a school corporation fails to make the reports and payments as required under section 7 or 8 of this chapter:

- (1) the officer has an additional thirty (30) days to make the reports or payment without a penalty;
- (2) after thirty (30) days have passed since the deadlines required under sections 7 or 8 of this chapter, the board may fine the school corporation or institution that the officer serves one hundred dollars (\$100) for each additional day that the reports and payments are late;
- (3) if the officer is habitually late as determined by the board, the school corporation is ineligible to receive any distribution of money from the state for school purposes until the reports and payments are received and approved by the board.

**PUBLIC LAW 26 - SENATE ENROLLED ACT 194. EFFECTIVE JULY 1, 1998. AMBASSADOR FOR EDUCATION.** Adds IC 20-6.1-11 to establish an ambassador for education program. Section 6 provides for reimbursement by the Department of Education.

**PUBLIC LAW 30 - SENATE ENROLLED ACT 347. EFFECTIVE March 11, 1998. EMERGENCY MANAGEMENT ASSISTANCE COMPACT.** Adds IC 10-4-2.5 to create the Emergency Management Assistance Compact. Participating member States can provide mutual assistance in managing emergencies or disasters.

**PUBLIC LAW 34 - SENATE ENROLLED ACT 389. EFFECTIVE JANUARY 1, 1998 (RETROACTIVE) ACADEMIC HONORS DIPLOMA AWARD.** Amends IC 21-3-1.7-9.8 to add item (b) Each year the governing body of a school corporation may use the money the school corporation receives for an honors diploma award under this section to give eight hundred dollars (\$800) to each eligible pupil in the school corporation who successfully completes an academic honors diploma program in the school year ending in the previous calendar year. Expenditure Account Number 11350, Object 645.

Also adds IC 20-10.1-5.1 to provide for education programs for "high ability student." Requires the Department of Education to establish a state resources program using existing state resources.

**PUBLIC LAW 39 - HOUSE ENROLLED ACT 1015. EFFECTIVE JULY 1, 1998. MINIMUM WAGE.** Amends IC 22-2-2-4 to change the rates for minimum pay under certain circumstances.

**PUBLIC LAW 40 - HOUSE ENROLLED ACT 1018. EFFECTIVE JULY 1, 1998. TEACHERS' RETIREMENT FUND.** Adds IC 21-6.1-4-4.6 to provide "private teaching service" as a creditable service.

**THE SCHOOL ADMINISTRATOR  
and Uniform Compliance Guidelines**

**Volume 141A, Page 4**

**April 1998**

**NEW LAWS AFFECTING SCHOOL CORPORATIONS  
(Continued)**

**PUBLIC LAW 45 - HOUSE ENROLLED ACT 1072. EFFECTIVE JULY 1, 1998. RETIREMENT INCREASES.** Adds IC 5-10.2-5-26 to provide pension increases plus post-retirement increases to PERF AND TERF.

**PUBLIC LAW 47 - HOUSE ENROLLED ACT 1109. EFFECTIVE MARCH 11, 1998 AND JULY 1, 1998. DEBT.** Amends IC 5-1-1-1 concerning legalization and validity of debt executed before March 15, 1998.

**PUBLIC LAW 54 - HOUSE ENROLLED ACT 1260. EFFECTIVE JULY 1, 1998. SCHOOL BUSES.** Amends IC 20-5-2-7 and IC 20-6.1-3-7.1 concerning criminal history information requests.

Amends IC 20-9.1-3-1 concerning eligibility to be a school bus driver as determined by the State School Bus Committee.

Also amends IC 20-9.1-4-4 concerning the State School Bus Committee adopting rules under IC 4-22-2 to prescribe performance standards and measurements for determining the physical ability necessary for a person to be a school bus driver.

**PUBLIC LAW 62 - SENATE ENROLLED ACT 152. EFFECTIVE JULY 1, 1998. STATE POLICE EMPLOYEES.** Amends IC 10-1-1-4 to allow State Police Employees to serve in a part-time local elected office and remain a State Police Employee.

**PUBLIC LAW 63 - SENATE ENROLLED ACT 158. EFFECTIVE JULY 1, 1998. UNDERGROUND STORAGE TANK GUARANTY FUND.** Amends IC 13-23-10-1 and adds IC 13-23-10-10 concerning grants funds available to assist in the closure or removal of underground storage tanks.

**PUBLIC LAW 64 - SENATE ENROLLED ACT 181. EFFECTIVE JULY 1, 1998. PARK BOARD APPOINTMENTS.** Amends IC 36-10-3-4 to allow school boards to appoint ex-officio members to park boards under certain circumstances.

**PUBLIC LAW 68 - SENATE ENROLLED ACT 348. EFFECTIVE JULY 1, 1998. GHOST EMPLOYMENT.** Amends IC 35-44-2-4 to add section (f) to provide "For the purposes of this section, an employee of a governmental entity who voluntarily perform services:

- (1) that do not:
  - (A) promote religion;
  - (B) attempt to influence legislation or governmental policies; or
  - (C) attempt to influence elections to public office;
- (2) for the benefit of:
  - (A) other governmental entities; or
  - (B) an organization that is exempt from federal income taxation under section 501(c)(3) of the Internal Revenue Code;
- (3) with the approval of the employee's supervisor;

**THE SCHOOL ADMINISTRATOR  
and Uniform Compliance Guidelines**

**Volume 141A, Page 5**

**April 1998**

**NEW LAWS AFFECTING SCHOOL CORPORATIONS  
(Continued)**

(4) in compliance with policy or regulation that:

- (A) is in writing;
- (B) is issued by the executive officer of the governmental entity; and
- (C) contains a limitation on the total time during a calendar year that the employee may spend performing the services during normal hours of employment;

is considered to be performing duties related to the operation of the governmental entity.

**PUBLIC LAW 79 - HOUSE ENROLLED ACT 1185. EFFECTIVE JULY 1, 1998. DEPOSIT DOCUMENTS.**

Amends IC 5-15-6-3 to provide "original records" includes the optical image of a check or deposit document when the check or deposit document is recorded, copied, or reproduced by an optical imaging process described in subsection (e); and the drawer of the check receives an optical image of the check after the check is processed for payment or the depositor receives an optical image of the deposit document after the document has been processed for the deposit.

Also amends IC 5-13-4-10(3) and (4) to define a savings association and a federally chartered savings association as a "financial institution."

**PUBLIC LAW 86 - HOUSE ENROLLED ACT 1229. EFFECTIVE JULY 1, 1998. ADVERSE**

**POSSESSION.** Amends IC 32-1-20-2 to provide the title to real property owned by the political subdivision (as defined in IC 36-1-2-13) may not be alienated by adverse possession. Also adds section 2 to provide a cause of action based on adverse possession may not be commenced against the political subdivision (as defined by IC 36-1-2-13) after June 30, 1998.

**PUBLIC LAW 87 - HOUSE ENROLLED ACT 1235. EFFECTIVE JULY 1, 1999. IMMUNIZATION-**

**HEPATITIS B.** Amends IC 20-8.1-7 concerning every child residing in Indiana shall be immunized against Hepatitis B.

**PUBLIC LAW 93 - HOUSE ENROLLED ACT 1338. EFFECTIVE JULY 1, 1998. WASTE TIRES.** Amends and adds to several chapters and sections of IC 13 concerning waste tire storage and disposal.

**PUBLIC LAW 94 - SENATE ENROLLED ACT 4. EFFECTIVE JULY 1, 1998. SCHOOL BUS DRIVERS.**

Amends IC 20-9.1-3-1 to provide a person must be twenty one (21) years of age for driving a school bus; or eighteen (18) years of age for employment as a school bus monitor. A school corporation or school bus operator may not employ an individual who is less than twenty-one (21) years of age as a school bus monitor unless the school corporation or school bus operator does not receive a sufficient number of qualified applicants for employment as bus monitors who are at least twenty-one (21) years of age. School Corporations or school bus operators shall maintain a record of applicants, their ages, and qualifications to show compliance with this subsection.

**PUBLIC LAW 98 - SENATE ENROLLED ACT 150. EFFECTIVE MARCH 13, 1998. EMERGENCY**

**WIRELESS 9-1-1 SYSTEM.** Non code section creating a 9-1-1 advisory board providing for an emergency wireless 9-1-1 system.

**THE SCHOOL ADMINISTRATOR  
and Uniform Compliance Guidelines**

---

Volume 141A, Page 6

April 1998

NEW LAWS AFFECTING SCHOOL CORPORATIONS  
(Continued)

**PUBLIC LAW 103 - SENATE ENROLLED ACT 224. EFFECTIVE JULY 1, 1998. POLITICAL SUBDIVISION RISK MANAGEMENT FUND.** Adds IC 27-1-29-28 to provide that under certain circumstances the Commission may prevent a political subdivision that is not already a member from becoming a member or declining to renew membership of political subdivisions that are members of the fund.

**PUBLIC LAW 114 - HOUSE ENROLLED ACT 1021. EFFECTIVE JULY 1, 1998. COMMON LAW LEINS.** Amends IC 32-8-39 to provide no common law lein exists against property of a public official for the non-performance or performance of a public official's official duty.

**PUBLIC LAW 119 - HOUSE ENROLLED ACT 1157. EFFECTIVE VARIOUS DATES. CAGIT.** Adds to IC 3-5-1.1 to provide for CAGIT under certain circumstances in Pulaski and Jackson Counties.